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RECEIVED
SURFACE TRANSPORTATION
BOARD

December 23, 1996

Mr. Vernon Williams
Secretary
Surface Transportation Board
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Lease Agreement dated 9/24/96 between the following parties:

Lessor: Southern Illinois Railcar Company, L.L.C.
One Mark Twain Bank Plaza, #225
Edwardsville, IL 62025

Lessee: Prestage Farms, Inc.
Clinton, NC

Lessee: Carroll's Foods, Inc.
Warsaw, NC

The equipment included in this transaction is as follows:

Equipment: 65, Covered Hoppers
SIRX 470017-470090, NI

Please record this agreement as a primary document. The filing fee of \$22 is enclosed.

Thank you for your assistance.

Sincerely,

Mary Ann Oster
Mary Ann Oster
Research Consultant

Enclosures

County Parts - Mary Ann

**SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20420-0001**

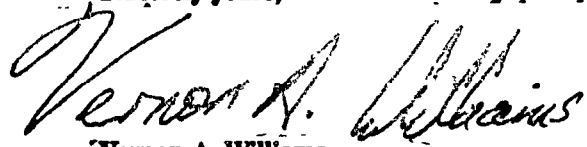
12/23/96

Mary Ann Oster
Research Consultant
Oster Researching Services
12897 Colonial Drive
Mt. Airy, MD., 21771

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/23/96 at 9:50AM , and assigned recordation number(s). 20409, 20410, 20411, 20412, 20413 and 19341-A.

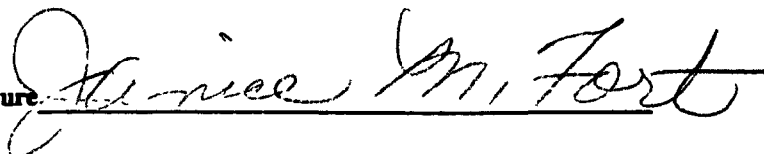
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 132.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



20409
SE - 2 1996

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this "Memorandum") dated as of September 24, 1996, is made by and between SOUTHERN ILLINOIS RAILCAR COMPANY, L L C , an Illinois limited liability company, with its chief executive office and principal place of business at One Mark Twain Bank Plaza, Suite 225, Edwardsville, Illinois 62025 ("LLC"), and Prestage Farms, Inc and Carroll's Foods, Inc , both North Carolina corporations, with offices at Clinton, N C and Warsaw, N C ("collectively, the Lessee")

LLC and Prestage Farms, Inc and Carroll's Foods, Inc hereby state the following:

1 LLC, as lessor, and Prestage Farms, Inc and Carroll's Foods, Inc , as lessee, are parties to that certain Railcar Lease Agreement dated as of December 29, 1995, pursuant to which LLC agreed to lease covered hopper or other types of railcars (collectively, the "Leased Railcars") to Lessee (the "Lease") The Leased Railcars shall be delivered to Lessees from time to time, and this Memorandum may be supplemented to identify the Leased Railcars on or about the time or times of delivery thereof

2. The term of the Lease shall commence on the first day of the month following the month in which the last Leased Railcar is delivered and accepted by Lessee and shall expire nine (9) years thereafter.

3. As of December 29, 1995, the Leased Railcars consist of the covered hopper or other types of railcars set forth on Exhibit A attached hereto

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written

WITNESS

Michelle Handner

**SOUTHERN ILLINOIS RAILCAR
COMPANY, L.L.C.**

By *Fred L. Parsons*
Fred L. Parsons, Manager

By *Eugenia M. Parsons*
Eugenia M. Parsons, Manager

By *Gary J. Goodman*
Gary J. Goodman, Manager

(Signature page of MEMORANDUM OF LEASE by and between SOUTHERN ILLINOIS
RAILCAR COMPANY, L L C and Prestage Farms, Inc and Carroll's Foods, Inc)

WITNESS:

Kelli Weeks

PRESTAGE FARMS, INC.

By Don Johnson
Its' Quentin Meyer

WITNESS

Kelli Weeks

CARROLL'S FOODS, INC.

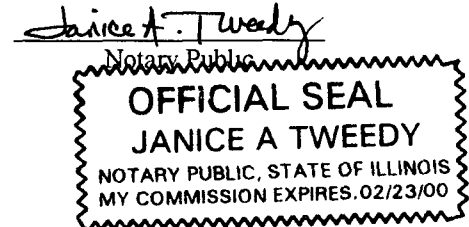
By Bill Holt
Its' Quentin Meyer

STATE OF ILLINOIS)
)
COUNTY OF MADISON) SS

On this 25th day of September, 1996, before me, a Notary Public of the County and State aforesaid, personally appeared Fred L. Parsons, to me personally known, who being by me duly sworn, says that he is a manager of Southern Illinois Railcar Company, L L C , an Illinois limited liability company, that said instrument was signed on behalf of said company by authority of its managers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company

AS WITNESS my hand and notarial seal

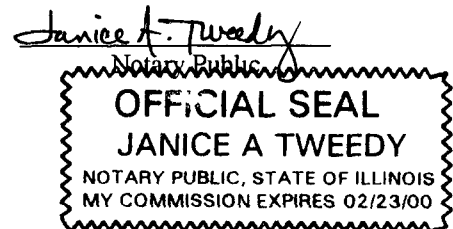
STATE OF ILLINOIS)
)
COUNTY OF MADISON) SS



On this 25th day of September, 1996, before me, a Notary Public of the County and State aforesaid, personally appeared Eugenia M. Parsons, to me personally known, who being by me duly sworn, says that she is a manager of Southern Illinois Railcar Company, L L C , an Illinois limited liability company, that said instrument was signed on behalf of said company by authority of its managers, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said company

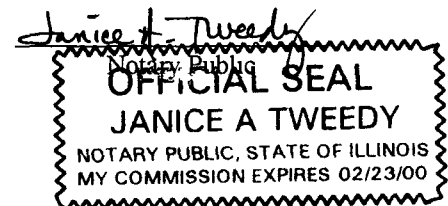
AS WITNESS my hand and notarial seal

STATE OF ILLINOIS)
)
COUNTY OF MADISON) SS



On this 25th day of September, 1996, before me, a Notary Public of the County and State aforesaid, personally appeared Gary J. Goodman, to me personally known, who being by me duly sworn, says that he is a manager of Southern Illinois Railcar Company, L L C , an Illinois limited liability company, that said instrument was signed on behalf of said company by authority of its managers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company

AS WITNESS my hand and notarial seal



STATE OF North Carolina

) SS

COUNTY OF Duplin

On this 7 day of November, 1996 before me, a Notary Public of the County and State aforesaid, personally appeared Don Johnson, to me personally known, who being by me duly sworn, says that he is the Purchasing manager of Prestage Farms, Inc., a North Carolina corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

AS WITNESS my hand and notarial seal

Jesse C. Blackburn
Notary Public

STATE OF North Carolina

) SS

COUNTY OF Duplin

On this 7 day of November, 1996 before me, a Notary Public of the County and State aforesaid, personally appeared Billy Holt, to me personally known, who being by me duly sworn, says that he is the Purchasing mgr. of Carroll's Foods, Inc., a NC corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation

AS WITNESS my hand and notarial seal

Jesse C. Blackburn
Notary Public

**Exhibit A to the Memorandum of Lease Agreement
Between Southern Illinois Railcar Company, L.L.C.
and Prestage Farms, Inc.**

65 Covered Hopper Railcars Bearing Reporting Marks and Numbers as Follows:

SIRX470017	SIRX470042	SIRX470065
SIRX470018	SIRX470043	SIRX470066
SIRX470019	SIRX470044	SIRX470067
SIRX470020	SIRX470045	SIRX470068
SIRX470021	SIRX470046	SIRX470069
SIRX470022	SIRX470047	SIRX470071
SIRX470024	SIRX470048	SIRX470072
SIRX470025	SIRX470049	SIRX470073
SIRX470026	SIRX470050	SIRX470074
SIRX470027	SIRX470051	SIRX470075
SIRX470028	SIRX470052	SIRX470076
SIRX470029	SIRX470053	SIRX470077
SIRX470030	SIRX470054	SIRX470078
SIRX470031	SIRX470055	SIRX470081
SIRX470032	SIRX470056	SIRX470083
SIRX470033	SIRX470057	SIRX470084
SIRX470035	SIRX470058	SIRX470085
SIRX470036	SIRX470060	SIRX470087
SIRX470037	SIRX470061	SIRX470088
SIRX470038	SIRX470062	SIRX470089
SIRX470040	SIRX470063	SIRX470090
SIRX470041	SIRX470064	